

Los Alamos National Laboratory Human Resources Division

Organizational Overview

Basic Organizational Description: Los Alamos National Laboratory (LANL) is owned by the US Department of Energy (DOE) and operated under contract by the University of California (UC). Established in 1943 as part of the Manhattan Project, LANL's original mission was to design, develop, and test nuclear weapons. As technologies, US priorities, and the world community have changed, LANL's mission has broadened to enhancing global security by ensuring safety and confidence in the U.S. nuclear weapons stockpile, developing technical solutions to reduce the threat of weapons of mass destruction, and improving the environmental and nuclear materials legacy of the Cold War. In addition, the Laboratory applies its scientific and engineering capabilities to assist the nation in addressing energy,

environment, infrastructure, and biological security problems.

As a subunit of LANL, the Human Resources (HR) Division has formally adopted the following mission:

LANL's HR Division provides leadership and support that unifies and strengthens the workforce's ability to support the LANL mission.

The division's major products and services serve as the organizing focus of operations, as Figure 0-1 shows. Key products and services include

- compensation and benefits management,
- staff relations assistance,
- staffing support, and
- training and development.

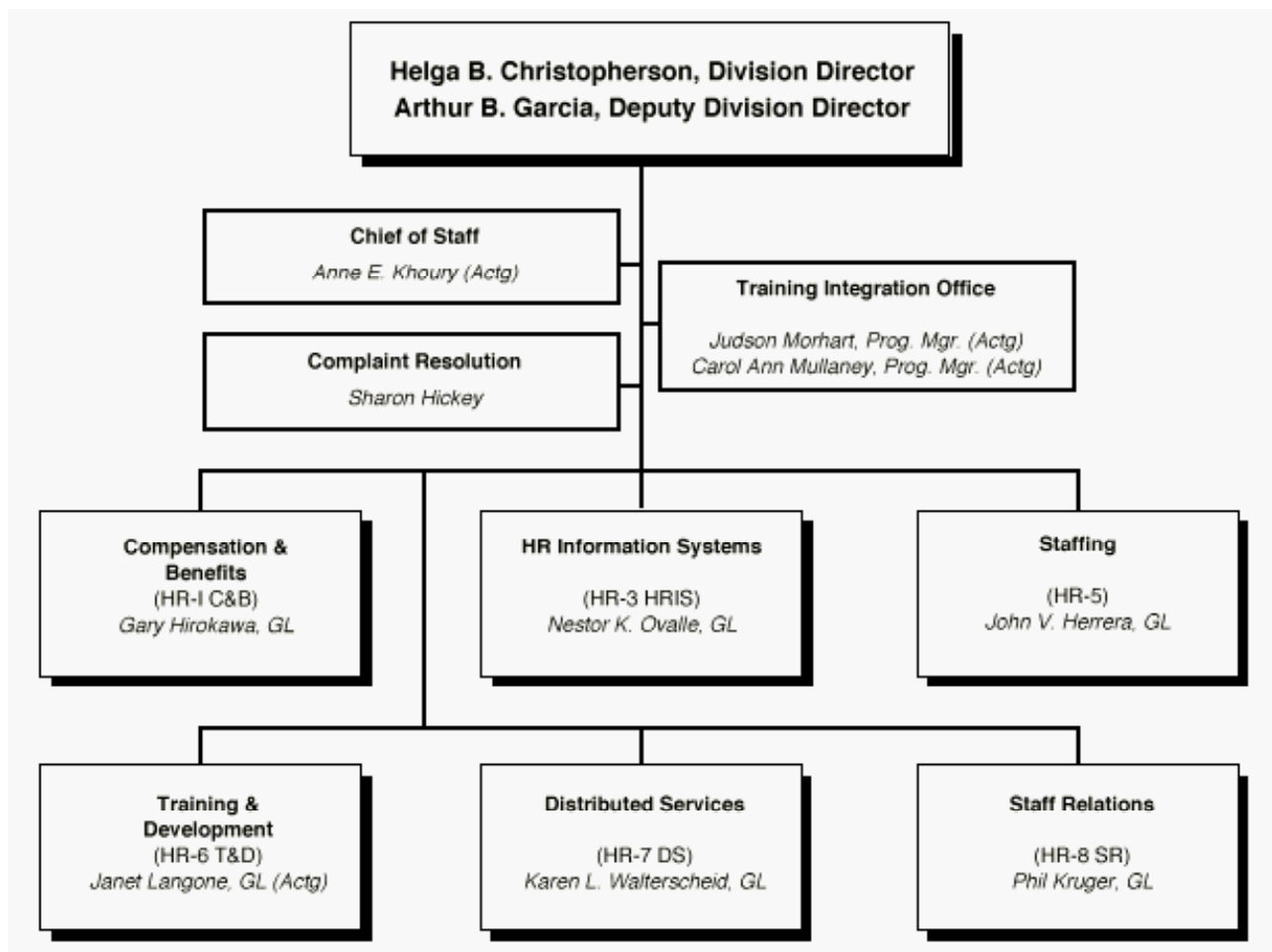


Figure 0-1. HR Division organizational chart.

Human Resources Information Systems is the division's key support function. Distributed Services is the major service delivery interface for HR and is the HR organization responsible for coordinating long-term relationships between selected HR staff and LANL customer groups.

HR Division delivers products and services in two ways: centralized or "core" support and decentralized or "field" support using the distributed service model. Establishing distributed human resources services means co-locating HR employees with technical customers, a process that enhances and strengthens HR Division's relationships with customers and enables the division to better respond to and anticipate customer needs.

Nearly 29% of HR Division staff provide decentralized support.

The majority of HR Division employees are located in one large administrative office structure, the Otowi Building, in LANL's main technical area. A smaller number of employees are housed in another office building across town. The staff providing distributed services are housed in facilities scattered across LANL's 43 square miles.

Overall LANL funding for FY99 was \$1.45 billion. The FY99 budget for HR Division was \$25 million, or slightly less than 2% of LANL's total funding. In FY99 LANL employed approximately 7,400 workers divided among 45 division and program

offices. HR Division employed 207 workers, roughly 3% of the LANL workforce.

In addition to its mission, HR Division has identified three core values. (See Figure 0-2.) HR Division has also established fourteen Guiding Principles, all of which have direct application to the division's focus on environmental issues.

- Quality and Safety Come First
- Our Goal is Never-Ending Improvement in Customer Satisfaction
- We Work Together as a Team
- Teamwork is the Way We Make Decisions
- Other Organizations Are Part of Our Team
- Decisions Are Made by the Appropriate Content Expert
- We Make Change Our Ally
- Employees Have the Right to as Much Information as Possible About Their Job and the Laboratory
- We Hold Ourselves and Each Other Accountable
- Every Activity and Process Is an Integral Part of the Operation of HR
- Mistakes Are Not "Someone's Fault"
- We Manage Our Work by Facts
- We Are Never Satisfied with "Good Enough"
- We Approach Our Jobs with a Sense of Urgency

Federal regulatory agencies with oversight for various LANL operations include EPA, DOE, OSHA and the NRC. The New Mexico Environment Department also oversees and regulates LANL activities. Because most HR Division employees work in a typical administrative office environment, in day-to-day operations OSHA requirements related to employee safety and health are most applicable to HR Division. In addition to regulatory expectations, LANL operations—including HR

	Virtually everything of consequence, good or bad, happens through people. The members of our workforce can achieve their full potential as individuals and contributors to our success only if they find challenge and fulfillment in their work. We provide a safe, healthy working environment in which integrity, ethical behavior, and respect for one another are paramount in all our interactions.
Products/Services	HR's products and services are successful only if our customers view them as such. We are dedicated to achieving continuous improvement in customer satisfaction through a commitment to excellence in the development, implementation, and support of world-class HR products and services in a high-quality, cost-effective, consistent, fair, safe, and timely manner.
Community	We operate in an environment in which we must be highly sensitive and responsive to the needs of our workforce, our retirees, DOE, UC, taxpayers, and the external community.

Figure 0-2. HR Division core values. Division performance—are regulated and evaluated by contractual requirements negotiated by DOE, UC, and LANL. These requirements, revised annually, are contained in Appendix F of the operating contract and provide a broad range of specific goals, measures, and evaluation criteria. Appendix F serves as a key method of determining both customer expectations and organizational performance.

HR Division views its three key processes—people intake, people maintenance, and people outgo—as part of an integrated system that incorporates LANL's mission, vision, strategic direction and tactical goals; the DOE contractor strategic goals; the applicable provisions of the UC/DOE contract; and customer input. Planning and management and the organizational infrastructure are framework and supporting mechanisms within which the system operates. (See Figure 0-3.)

People	LANL's greatest asset is its people.
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Customer and Stakeholder Requirements: HR Division has identified four broad groups of customers:

- LANL employees—including applicants, prospective employees, and retirees;
- LANL managers—including senior management;
- HR Division employees;
- stakeholders such as DOE, UC, and the surrounding communities and pueblos.

Each group of customers has a specific set of expectations for HR Division, as Figure 0-4 shows. Because of the type of work performed by HR Division, environmental expectations are limited. Those expectations do include a commitment to safe operations—especially ergonomics—and efforts to minimize sanitary waste generation and consumption of resources. In addition to the measures included in Appendix F, HR Division uses a variety of LANL institutional systems to structure

HR - A Systems View

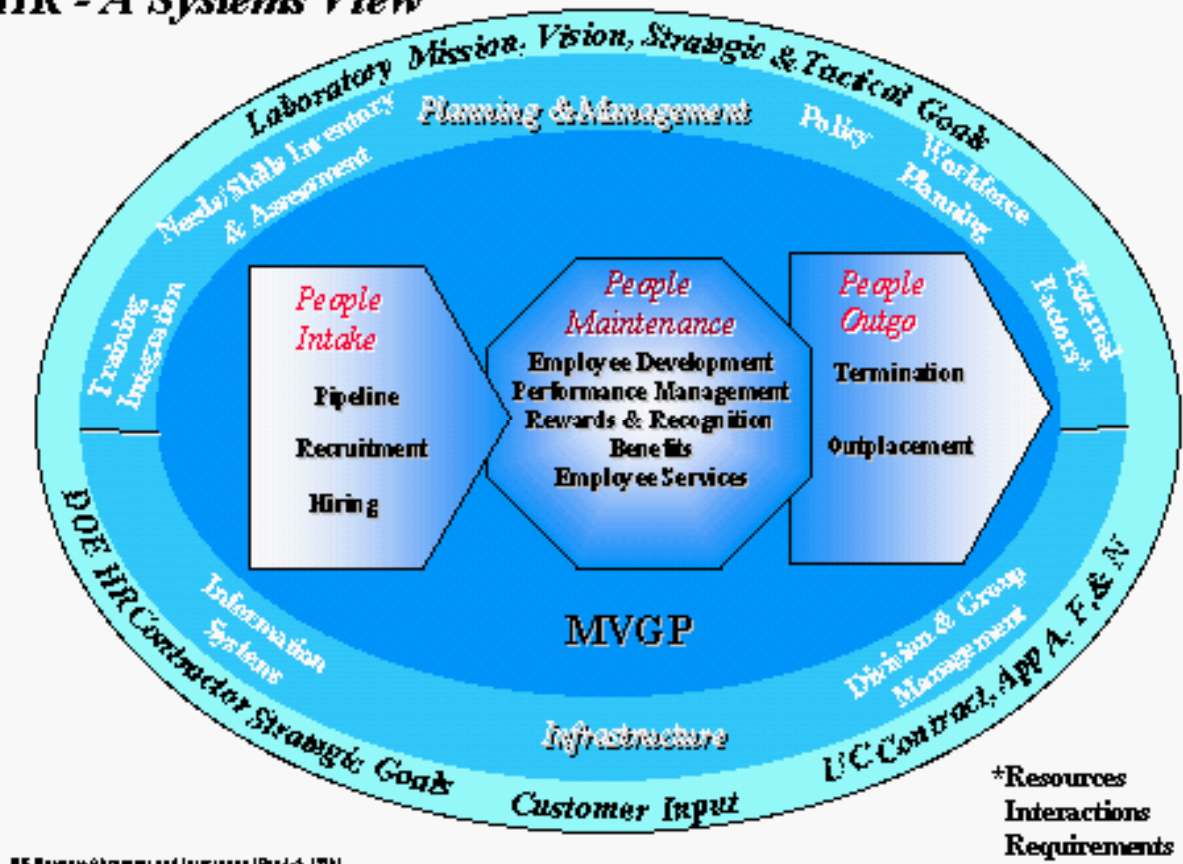


Figure 0-3. HR Division's system view of key processes.

Customer Segment	Key Requirements	Determined By
LANL Employees	<ul style="list-style-type: none"> • Help LANL meet key environmental goals 	<ul style="list-style-type: none"> • Appendix F • LANL Goals
LANL Managers	<ul style="list-style-type: none"> • Help LANL meet key environmental goals 	<ul style="list-style-type: none"> • Appendix F • LANL Goals • Voice of the Customer

		(VOC)
HR Employees	<ul style="list-style-type: none"> • Provide a safe and healthy work environment 	<ul style="list-style-type: none"> • Appendix F • Voice of the Employee (VOE) • OSHA
Stakeholders	<ul style="list-style-type: none"> • Help LANL meet key environmental goals 	<ul style="list-style-type: none"> • Appendix F • DOE Orders • OSHA Requirements

Figure 0-4. HR Division key customer segments and requirements related to environment.

division operations. LANL's Integrated Safety Management (ISM) Program, in its broadest definition, serves as a basis for the institution's environmental management system (see Item 1.1). LANL's Performance Management System (see Item 5.1) helps leaders establish clear performance expectations for employees and ensure those expectations are aligned with organizational goals and values. LANL mechanisms such as the annual Employee Checkpoint Survey (see Item 3.1) and the Upward Appraisal Program (see Item 5.2) also allow HR Division leaders to evaluate customer/stakeholder satisfaction with division performance.

Supplier and P2-Partnering Relationships: Because of the nature of HR Division's work, most opportunities to interact with vendors on the basis of environmental concerns are limited. In addition, LANL financial policies require that most product/service purchases be coordinated through LANL's Business Operations (BUS) Division. BUS Division also evaluates the overall performance of suppliers.

HR Division does maintain service contracts for maintenance on equipment such as copiers. In these arrangements the vendor is responsible for disposing of supplies used in maintaining the equipment. HR-6 (Training and Development) maintains contracts with training vendors to provide content-specific products and/or services. In most cases, these contracts do not contain an environmental component. Other routine products, such as office supplies, are approved by LANL and conform to any applicable environmental provisions, such as recycled content.

Competitive Situation: Within the LANL organization, there are no direct competitors who can perform the traditional human resources work functions. Other internal LANL units, however, are competitors for both programmatic funding and funding for specific projects. The LANL budgeting process relies on cost allocation based on a causal/beneficial relationship. However, certain types of costs such as the human resources function benefit many programs. Because charging human resources costs to all programs (i.e., several thousand) is not practical, LANL has chosen indirect cost allocation to identify costs that are caused by or benefit several programs. Other similar functions—such as budgeting, security, and records management—also require indirect allocations and thus seek money from the same budget pool. HR Division is thus required to find ways to both justify operating expenses and improve operating processes to make maximum use of available funding.

Because both DOE and UC use the Appendix F measures to evaluate performance at all three research and development laboratories managed by UC—LANL, Lawrence Livermore National Laboratory (LLNL) and Lawrence Berkeley National Laboratory (LBNL)—the annual evaluations provide a means of measuring performance levels among the three institutions. Although not all Appendix F measures are applicable to all three laboratories, the side-by-side evaluation each year does provide interesting relative information.

HR Division has for several years actively employed the principles of quality management and continuous quality improvement (CQI; see Item 6.2). Various measures of customer satisfaction and process efficiency indicate that the division has made significant progress in this regard.

Strategic Context: HR Division has begun focusing on several environmental thrusts:

- paper reduction through double-sided copying, use of recycled paper, and use of electronic documents;
- general recycling through increased emphasis on awareness programs;
- energy efficiency through awareness and improved equipment purchases.

Through a strategic cooperative venture with the LANL Environmental Stewardship Office (ESO), HR Division has participated in a Green Zia pilot project to identify ways of reducing routine wastes in an administrative office environment. Interim results from this pilot project were presented at the 1999 DOE Pollution Prevention Conference.

1. Leadership

1.1 Organizational Leadership

The leadership system that supports environmental excellence in HR Division begins with the director of LANL who, in 1998, issued a vision for LANL that included zero environmental incidents. Figure 1-1 shows the "six zeros" which constitute LANL's highest-level goals. A comprehensive, proactive, ethics-based system cascades down from these leadership goals.

HR Division has been working to establish both processes and behaviors to achieve the zero-waste goals. The system begins with a vision (identified in the Overview) and goals that are articulated in a strategic plan for the organization. In addition to articulating a vision, senior management has identified these three specific goals:

- providing a coordinated set of customer-focused, value-added products and services;
- maintaining effective and efficient operational systems and processes; and
- facilitating organizational and cultural change.

The goal dealing with effective and efficient operations includes a focus on minimizing waste and maximizing efficient use of resources. HR Division managers recognize that waste is the result of inefficiency. Similarly, the goal to facilitate change encompasses a move toward greater emphasis on pollution prevention and resource conservation.

Zero Injuries or Illness on the Job

Zero Injuries or Illness off the Job



Zero Environmental Incidents

Zero Ethics Incidents

Zero People Mistreatment Incidents

Zero Security and Safeguards Violations

Figure 1-1. LANL's "six zeros" goals.

The planning process (see Category 2) used by HR Division managers employs a line-of-sight process from high-level organizational goals to individual performance expectations. HR group leaders develop group-level plans to support division thrust areas and goals. Using LANL's Performance Management System (See Item 5.1), managers then work cooperatively with employees to identify how each individual in the program is expected to contribute to the vision. This methodology has become a cornerstone for the operations within HR Division and is regularly referenced at quarterly all-hands meetings. The leadership system uses these and other meetings to review performance and highlight areas of focus. For example, each quarterly all-hands meeting begins with a discussion of safety.

An integrating framework that HR Division and LANL overall use as an environmental management system is ISM. The broad definition of "safety" encompasses all aspects of environment, safety, and health—including pollution prevention and waste minimization. The term "integrated" is used to indicate that the safety management system is a normal and natural element of the performance of work; safety isn't a workplace addition, it is how we do business. ISM supports LANL's goal "to accomplish its mission cost-effectively while striving for an injury-free workplace, minimizing waste streams and avoiding adverse impacts to the environment from its operations." ISM implementation is a major emphasis at LANL, and senior leaders

formally review progress toward full implementation on a quarterly basis.

HR Division's management system is based on frequent and open communication. Group leaders meet weekly with the division management. These sessions focus on expectations and progress toward goals, as well as environmental, health, and safety issues. Sessions always begin with "Safety First." For example, ergonomics is a frequent topic at these meetings as is waste management. In addition, senior leaders review action on projects, including process improvement efforts, to ensure work is being completed as scheduled and budgeted or to determine necessary adjustments through peer feedback.

Senior leaders also conduct regular management walkarounds. These informal reviews allow leaders to observe working conditions throughout their areas of responsibility, to talk informally with employees, and to note potential areas for improvement. LANL has created nine categories of guidance cards, including environmental protection, that provide suggestions on the types of observations managers should make during walkarounds. In 1999, HR managers performed nearly 100 documented walkarounds.

HR Division has appointed an Environment, Safety, and Health Officer whose duties are to coordinate division activities in these areas and to bring relevant issues to the weekly meetings of HR managers. The Division ESH Officer also makes presentations at all-hands meetings and serves as the point of contact for Green Zia pilot projects undertaken by the division.

Information regarding organizational goals and current progress cascades to individual employees through the management structure. In addition to the quarterly all-hands meetings already mentioned, group leaders hold regular meetings with their staff to discuss programmatic issues. HR Division also maintains a web site with a wide range of available information for employees, customers, and stakeholders. One key part of the web site includes safety resources (see Figure 1-2). Division managers also communicate safety and environmental issues to employees through a divisionwide distribution process, hr-news.

1.2 Community Leadership

Although HR Division is a focal point of LANL interaction with the local community related to employment issues, the division has minimal interaction with the public related to environmental issues. LANL has designated organizations, such as the Community Relations and Public Affairs Offices, to routinely handle interactions with the public. Presentations, discussions, and workshops specifically focused on environmental issues are typically coordinated through LANL's Environment, Safety and Health (ESH) Division or the Environmental Science and Waste Technology (E) Division. Other community interactions take place through the integrated outreach programs of LANL.

HR Division makes a conscious effort to "buy green" whenever possible. LANL as a whole follows DOE and Executive Orders in this regard, and LANL performance in affirmative procurement is evaluated against one of the measures in Appendix F. LANL's accounting system allows HR managers to monitor in real



Figure 1-2. Safety resources available from HR Division's web page.

time the percentage of purchases that include recycled content. Figure 7-2 in Item 7.1 shows HR Division's performance in supporting purchase of "green" products.

HR Division environmental accomplishments were presented in a poster session at the 1999 DOE Pollution Prevention Conference in Albuquerque, New Mexico. Also, the LANL daily electronic newspaper, the *Newsbulletin*, featured results of HR Division's pollution prevention initiatives in a story on February 16, 2000. These types of information sharing are open to stakeholders both within and outside LANL.

2. Planning for Continuous Environmental Improvement

2.1 Strategic Planning for Environmental Improvement

LANL has developed and uses as a guiding blueprint a strategic plan for the next five years. The current LANL strategic plan (available online to both the public and LANL employees) sets out major programmatic objectives and strategies. It

also identifies environmental objectives related to most LANL major goals. In addition, a major objective of demonstrating operational excellence in all activities specifically calls out the following strategies:

- Achieve measurable improvements in safety and environmental stewardship through full implementation of ISM [which includes pollution prevention] throughout LANL.
- Manage wastes and hazardous legacy materials effectively and accept the challenge of minimizing the generation of hazardous wastes in the future, with a long-term direction toward zero emissions.

Each year LANL also produces an Institutional Plan, a five-year perspective on LANL operations. This document (available online to the public and to employees) identifies strategic requirements for LANL organizational units, including HR Division; summarizes strategic, tactical, and programmatic plans; and helps ensure the integration of LANL activities with DOE priorities.

Based on LANL strategic directions and DOE requirements, HR Division then develops its own strategic plan. Figure 2-1 gives an overview of the HR strategic planning process,

which includes input from each of the following:

- Past performance, as documented through such activities as management walkarounds (see Item 1.1), as well as results from process improvement efforts (see Item 6.2)
- Item 4.1 describes the general and specific measures from Appendix F that influence HR Division focus. Category 7 presents a wide range of results that are considered in division planning.
- Item 3.1 discusses HR Division's Voice of the Customer (VOC) Program.
- HR Division also includes employee feedback gathered through the Voice of the Employee (VOE) Program, LANL's annual Employee Checkpoint Survey (see Item 3.1), and the LANL Upward Appraisal Program (see Item 5.2). This year LANL instituted a new employee feedback tool, the Work Environment Survey.
- Item 3.3 outlines the HR Division advisory committee that provides additional data on best practices and industry standards.

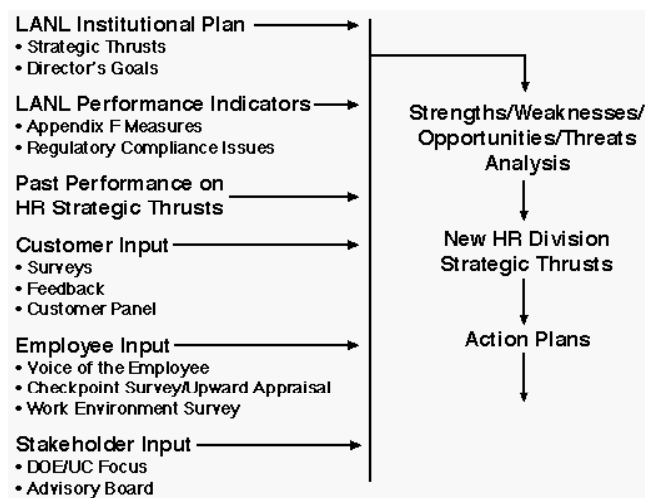


Figure 2-1. HR Division's strategic planning process.

HR Division planners have traditionally included such issues as worker health and safety in long-range plans. For example, the division routinely plans for ongoing review of employee ergonomic safety. But LANL has historically not viewed HR Division as a major component in environmental issues, and there has been little impetus to include pollution prevention or resource minimization in HR Division's strategic planning process. Similarly, other HR Division customers and stakeholders have tended to place little emphasis on the division's environmental performance. Participation in the New Mexico Green Zia Environmental Excellence Program, with accompanying development of appropriate measures and performance indicators, is, however, allowing the division to begin incorporating such focus into long-range plans.

2.2 Action Planning

Each organization in HR Division is responsible for identifying how it will contribute to achieving the overall strategic vision of the division. Every year each HR group validates its key functions and initiatives and then establishes short-term goals, measures, and success indicators. Each group's action plans align with division objectives and are complementary to the plans of other HR groups. The same information used to develop overall HR Division strategic plans (see Figure 2-1) is available to each group. In addition, each group may include information or feedback specific to its function in creating action plans. Figure 2-2 gives an overview of the process for developing action plans.

Because focus on environmental performance is relatively new to HR Division, none of the existing action plans include specific reference to pollution prevention or waste minimization.

But because managers and employees recognize that inefficiency leads to waste, there is an ongoing effort to improve operations. Item 6.2 describes the method by which key division processes are analyzed and improved. These improvement efforts include action plans, which are regularly reported to management and tracked for successful completion.

HR Division Strategic Thrusts

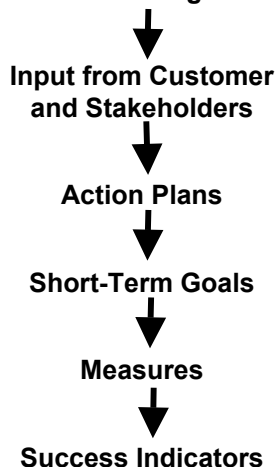


Figure 2-2. HR Division's action planning process.

HR Division involvement in the Green Zia Environmental Excellence Program and related pilot projects has led to an increased awareness of environmental concerns across the organization. The division ESH Officer has begun to collect baseline data related to resource usage and waste generation that can provide a starting point for future efforts.

Additionally, HR Division annually develops an implementation strategy for ISM, focusing on how to involve all employees in making this program a routine part of all operations. In combination with the leadership systems previously described, these efforts then set the stage for development and execution of action plans.

2.3 Integration and Implementation

Within HR Division, strategic and action plans are integrated, documented, and tracked by the management team. The division office compiles and places the documented goals and strategies on the HR Division web page, where they are available to employees, customers, and stakeholders. Senior leaders formally review the plans quarterly to ensure the division is making appropriate progress and report this progress through group meetings, all-hands meetings, and electronic publications. Quarterly Appendix F reviews document HR Division performance, as does the final year-end assessment. HR Division's contribution to overall LANL Appendix F environmental goals is also reviewed and documented quarterly and in a written annual assessment.

The planning process allows managers to closely tie both strategic and tactical activities to budget submissions and to plan for most effective movement of HR staff to meet requirements. The quarterly reviews allow managers to track resource allocations and to make any necessary adjustments to either funding or human resource allocations.

HR Division has established quality improvement teams on major processes. The teams, which are tasked with identifying and implementing efficiency improvements, use a formal CQI process and associated improvement methodology and tools (see Item 6.2). Senior leaders charter the teams and track their progress on a regular basis. Results are incorporated into performance measures as part of gradient expectations.

Finally, development of clear strategic and action plans allows for full integration of performance requirements for each individual HR employee. As discussed in Item 5.1, objectives for each employee are designed to ensure that the organizational objectives are met and that the employee has a clear view of how

his or her work requirements contribute to the success of the entire organization.

3. Customer, Supplier and Others Involvement

3.1 Customer Involvement

Just as frequent and open communication marks HR Division's internal management practices, so does it characterize interactions with customers and stakeholders. The division is highly conscious of the need to fully involve all affected parties in seeking to improve the efficiency of work and demonstrating a sustainability ethic in daily operations.

The performance measures found in Appendix F of UC's operating contract provide clear expectations, increase accountability, and improve customer relations by addressing performance issues that concern DOE. Hence, Appendix F serves as a major vehicle for both determining customer requirements and performance levels for all of HR Division's customer segments.

Appendix F contains approximately one hundred specific performance measures and associated goals. One entire section of Appendix F relates specifically to human resource issues. While these measures demand a major focus of HR Division activities, they do not relate directly to the division's environmental performance. HR Division performance is, however, included in several of the Appendix F measures

directly related to environmental excellence that fall within the functional area of environment, safety, and health. In addition to providing some specific data related to HR performance, these environmental measures also show the division's contribution to overall LANL environmental achievement.

The negotiation steps for Appendix F measures, the process to set priorities, the improvement steps, and the resulting evaluations (see Fig. 3-1) all help focus HR Division resources on key business processes and improve operational quality. Appendix F requires an annual self-assessment and evaluation by both UC and DOE, but HR Division senior leaders also meet quarterly with UC and DOE representatives to discuss current progress against goals and to identify any issues. Senior leaders also interact more often with DOE and UC customers on an as-needed basis. The regular and frequent interaction helps prevent surprises, mitigate problems, and create a cooperative rather than an adversarial atmosphere.

In addition to identifying overall HR Division performance expectations, Appendix F includes specific requirements related to collection and analysis of customer needs. For example, Appendix F measure 4.1 for human resources states:

"Mechanisms will be used to gather customer input regarding HR practices. Practices could be policies, services, programs, systems, processes and procedures. These mechanisms are varied and could include customer surveys, focus groups, customer feedback forms, etc. Measurement will include the extent of utilization of customer input."

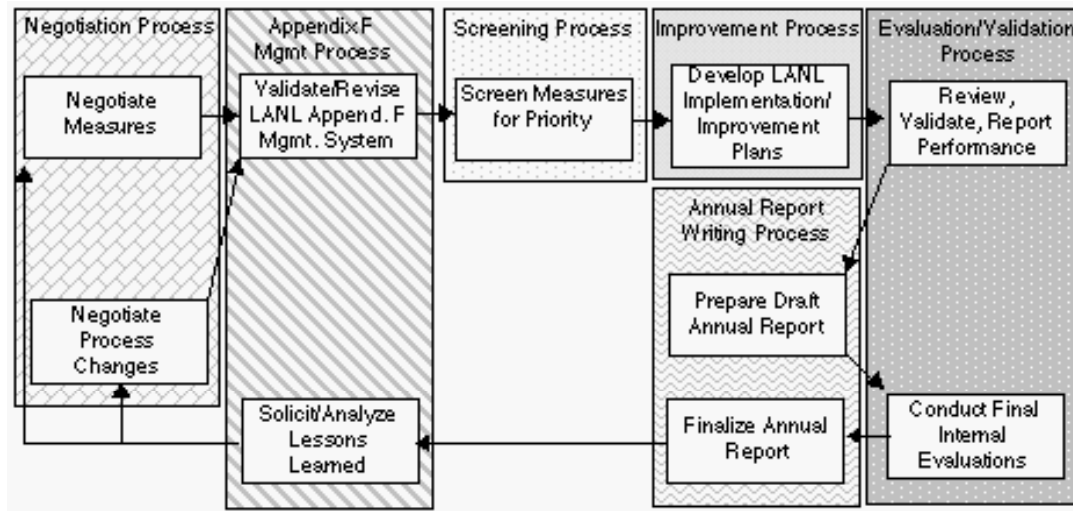


Fig. 3-1. LANL Appendix F Process (18-month continuous cycle.)

Appendix F thus provides both the requirement and a mechanism to do process analysis and improvement related to customer input.

HR Division interacts with its LANL customer segments in a variety of ways. Annually HR Division senior leaders conduct a VOC Program. VOC is a one-to-one interviewing technique used to obtain key requirements from customers. The objectives of VOC are to

- build customer relationships,
- identify HR Division strengths from the customer's point of view,
- identify customer needs and concerns,
- assess the level of customer satisfaction, and
- identify key areas for improving customer satisfaction.

In addition to the annual VOC Program carried out by division managers, each group leader also interacts with key LANL customers. This is especially true for distributed services, where managers meet with customers on a regular basis to assure

that HR Division is meeting performance requirements.

To gather feedback from HR Division employees, division management relies on a formal VOE Program. The process is structured much like VOC and is designed to gather and analyze issues of most importance to employees. This year, in place of the VOE feedback, HR Division is relying on a new LANL institutional feedback mechanism, the Work Environment Survey. A LANL committee gathered more than 500 employee concerns from town-hall meetings, the Employee Advisory Council, diversity working groups, the Diversity Council, and other special interest groups. The committee then categorized the major issues and developed survey questions from common themes relating to these issues.

HR Division also relies on two LANL programs, the annual Employee Checkpoint Survey and the Upward Appraisal Program. The Checkpoint Survey monitors employee perspectives and contains standard types of questions in general categories including safety, productivity, and customer focus. The structure of the survey allows HR senior

leaders to perform comparisons with other operational divisions within LANL and also with other companies. For the past four years HR Division has administered and participated in LANL's annual Upward Appraisal Program (see Item 5.2), which allows employees to provide direct feedback to managers regarding the supervisors' behavior and ability in areas such as environment, safety and health; communication; and accountability. HR Division managers review the information from these two instruments and use it to help establish goals and corrective actions. Finally, management walkarounds provide an opportunity for managers and employees to interact informally and to jointly review safety and environmental issues in the workplace. To monitor public perception, HR Division relies on a quarterly survey of public opinion, which LANL has conducted since 1990. The resulting reports profile New Mexico residents' views and identify results from specific geographic areas around the state. In addition to asking about general perceptions of LANL, the survey specifically asks respondents their opinion of LANL's environmental responsibility. Results from the survey are recorded, analyzed, reviewed, and used in planning activities.

HR Division uses its world wide web site to communicate with customers, stakeholders, and suppliers, keeping all parties well informed of current and projected progress. The site contains extensive information, including program details, answers to frequently asked questions, and numerous forms that provide just-in-time data while minimizing paper consumption. All of the pages on the web site have comment lines, allowing users to send requests or comments to the immediate attention of the appropriate HR Division staff. The division is also in the process of implementing an online survey tool

that will collect, aggregate, and analyze input from HR Division customers. HR Division's transition to electronic communications also encourages customers to conserve resources, as does the division's efforts to streamline processes (see Item 6.2). For example, a current initiative to improve the LANL hiring processes is expected to save over 150,000 sheets of paper annually for HR Division and customers combined.

3.2 Supplier Involvement

Because of the nature of HR Division's work, most opportunities to interact with vendors on the basis of environmental concerns are limited. In addition, LANL financial policies require that most product/service purchases be coordinated through LANL's BUS Division. BUS Division also evaluates the overall performance of suppliers.

Within its limited sphere of interaction with suppliers, HR Division does, however, employ several environmental considerations. For example, the division now ensures that all new computers are equipped with Energy Star, an energy saver function that turns off the monitor's screen when the computer is not in use. The division also is making a determined effort to ensure that purchased office products, including paper, contain recycled content. To minimize the use of paper, HR Information Systems conducted an audit to ensure that printers and copiers were set to automatically print double-sided, and new equipment will be required to have that capability. The use of electronic messaging and a comprehensive web site also promote the minimization of paper usage. For example, Training and Development publishes course listings and class schedules electronically. The division also promotes saving of wastes and expense associated with unnecessary travel by

championing teleconferencing and distance learning.

3.3 Others Involvement

HR Division's primary method of communicating and involving other interested parties is through participation in the New Mexico Green Zia Environmental Excellence Program. The Green Zia Program is a state-wide initiative designed to encourage businesses to focus on pollution prevention as a economic business advantage. Established by the 1998 New Mexico legislature, the Green Zia Program is administered by the New Mexico Environmental Alliance, a partnership of state, local, and federal agencies; academia; business and industry; and environmental advocacy groups. The basic premise of the program is that waste is the result of inefficiency and by reducing waste a company can increase its profits. The environmental benefit is clear: waste that is never created does not pollute. Participation in the program gives HR Division an annual third-party, independent evaluation of successes and opportunities for improvement in environmental performance.

Since June of 1999 HR Division has been a major participant in a LANL Green Zia pilot project aimed at reducing waste generation and resource consumption in a typical administrative office environment. Working with BUS Division, ESO, and facility managers from LANL's Facility and Waste Operations (FWO) Division, HR Division has begun looking at operations in the Otowi Building, where the majority of HR employees reside. The project affects over 600 building occupants and involves a wide variety of stakeholders who are identifying wastes generated and resources consumed, determining existing baseline performance information, setting priorities for potential areas for improvement, and then developing

and implementing improvement action plans. The project is producing specific, measurable results for actions designed to reduce waste, to lower consumption of resources, and to increase operational efficiency. In addition, the project is generating other less tangible but equally positive benefits. For example, the project allows all employees to become involved in pollution prevention and contribute to activities with measurable results. The project is also broadening the support base for the creation of LANL's pollution-prevention culture. In addition to producing short-term gains, the project is also setting the stage for longer-term improvements. Within the next few years the three-story Otowi building's approximately 75,000 square feet of carpeting and tons of metal flooring supports may be replaced. Participants in the Green Zia pilot program are encouraging LANL to install recycled carpeting and recycle the old carpeting and metal supports, which will have a significant positive impact on waste minimization.

Finally, HR Division has established an external advisory committee, composed of industry experts in the fields of human resources and training, to help the division assure that it is aligned with customer and stakeholder expectations and with best human resource practices.

4. Information and Analysis

4.1 Information Collection Management

The Appendix F Process (see Item 3.1) is a key performance indicator of HR Division's contractual requirements and also a measure of customer satisfaction. Managers monitor progress related to performance goals and use that information to develop and/or modify operational plans and to identify areas for improvement. Results presented in Category 7 show that overall scores in the Appendix F

functional area of human resources have improved over the past three years, indicating increasing DOE approval of performance in this area. In addition, HR Division has received steadily increasing scores in several specific areas of Appendix F related to process analysis and improvement (see Item 7.1) and to customer needs analysis (see Item 7.2).

Many of the Appendix F measures evaluate total LANL performance in environmental arenas. Because the measures include all aspects of LANL operations, HR Division's performance contributes to the ultimate evaluation score. HR Division has identified the following LANL-wide environmental performance measures as being directly applicable to the division and closely monitors performance levels:

- management walkarounds (see Item 1.1);
- injury/illness prevention;
- utilities/energy conservation (this item includes three separate and distinct measures);
- supplier performance;
- source reduction and pollution prevention (this measure includes sanitary waste reduction, recycling, and affirmative procurement).

LANL senior leaders also monitor progress toward full implementation of ISM (see Item 1.1). The ISM Project Office has established a detailed implementation schedule and monitors all portions of LANL, including HR Division, to ensure that milestones are achieved and that performance goals are met. A DOE audit of ISM in the fall of 1999 indicated that implementation is on track and that LANL efforts in this area are fully satisfactory.

In addition to monitoring its relative contribution to overall LANL institutional performance as measured by Appendix F, HR Division also tracks information gathered through participation in LANL institutional programs. For example, senior leaders review results from LANL's public opinion survey and also analyze division-specific information from the annual Employee Checkpoint Survey, the Work Environment Survey, and the Upward Appraisal. Internal data—such as that from the VOC Program, the VOE Program, and from operational performance and improvements—also plays a role in management's review of HR Division.

HR Division leaders have also begun to gather baseline data on other aspects of the division's environmental performance.

- In addition to its contribution to overall LANL performance in injury/illness prevention, HR Division specifically measures and tracks its own performance in this area.
- Division management recognizes that employee injuries and illness have a direct impact on productivity. Monitoring the effectiveness of management walkarounds also helps assure that managers are aware of and can correct potentially dangerous or unhealthy situations.
- This year for the first time HR Division will receive impartial evaluation and feedback on its environmental performance through participation in the New Mexico Green Zia Environmental Excellence Program. Division senior leaders will begin tracking this measure and will use identified opportunities for improvement as initiation points for remedial actions.

- Many aspects of daily operations such as collection and filing of resumes, job applications, and personnel files are now performed electronically. HR Division has begun to measure and track the number of paper copies avoided by this change. A related measure is the amount of paper purchased by the division.
- Process changes save not only physical resources but also result in time and cost savings. HR Division monitors process performance and tracks these savings in efficiency and effectiveness.
- HR Division has a rough estimate of sanitary waste created at LANL's Otowi Building where most HR Division services are headquartered. ESO is currently implementing more precise measurement techniques that will allow HR to more accurately monitor and track the sanitary waste it produces. Changes in measurement technique may also make it possible for HR Division to monitor the amount of material it designates for recycling. Because ESO sells recyclable material, HR may be able to track recycling income and related cost savings.
- Although HR Division is included in overall LANL performance measures related to energy conservation, until recently there has been no way to directly measure the division's actual contribution. Metering changes implemented by facility managers from LANL's FWO Division may now allow a more direct measurement of HR Division's energy consumption along with more accurate evaluation of improvement efforts.

4.2 Analysis and Decision-Making

HR Division managers systematically analyze data to develop the information necessary for

wise decision-making. The strategic planning process described in Item 2.1 forms the basis for the annual roll-up of a comprehensive set of data. The division management team formally reviews the strategic plan quarterly. Senior leaders also regularly evaluate division thrust areas and progress toward goals. Semiannually the division formally evaluates progress toward Appendix F goals. Additionally, once every six months each manager is reviewed to assess progress toward meeting individual performance objectives, which are tied to organizational goals. On a more informal basis, operational data is presented and analyzed at the weekly management meetings that include all leaders within the division. HR Division managers review all the data identified in Item 4.1 on at least an annual basis, with the majority of information being evaluated much more frequently.

In addition to using operational data to identify opportunities for process and performance improvement, HR Division uses strategic benchmarking to understand industry best practices. For example, HR Division currently has an Employment Process Improvement (EPI) Team that has been chartered with identifying, understanding, and adapting outstanding practices from organizations similar to LANL. Item 6.2 discusses the formal improvement process this team is using, and Item 7.3 presents some improvement results. A major task of the cross-functional EPI Team was to design and conduct a benchmarking survey of ten leading research and development companies. The team then conducted site visits of selected companies to better understand best-in-class employment practices. The team also became a sponsor and participant in a consortium benchmarking study on recruiting and retaining information-technology employees. The study was conducted under the leadership of the American Productivity and Quality

Center, of which LANL is an institutional member. Although full implementation of proposed changes will be a multiyear effort, HR Division has already begun implementing some of the improvements suggested by the EPI Team and has identified significant performance improvement goals.

The Appendix F measures also provide HR Division with an opportunity to compare performance levels with both LLNL and LBNL, the two other research and development laboratories managed by UC for DOE. Not all Appendix F measures are applicable to all three laboratories, and some adjustments are made for individual institutions. While the comparison process is not always precise and does not constitute formal benchmarking, the side-by-side evaluation each year does provide interesting relative information and leads to identification of areas for improvement.

5. Employee Involvement

5.1 Employee Education and Skill Development

HR managers work with each employee to cooperatively prepare individual development programs—both short-term and long-term—on an annual basis as part of LANL's Performance Management System. This system, which Figure 5-1 shows, requires HR groups to establish objectives which support the organizational echelons above them. Objectives for each employee are then designed to ensure that the organizational objectives are met and that the employee has a clear view of how his or her work requirements contribute to the success of the entire organization. The Performance Management System ensures clear two-way communication during the goal-setting phase of the process and provides a focus for

ongoing discussion about work objectives and processes. Specific goals include

- aligning individual expected results with institutional goals,
- identifying and assessing individual performance results/accomplishments,
- evaluating performance of institutionally defined behaviors,
- describing how individuals helped to meet organizational objectives,
- linking performance to rewards or consequences,
- designing development plans to support improving performance in current jobs

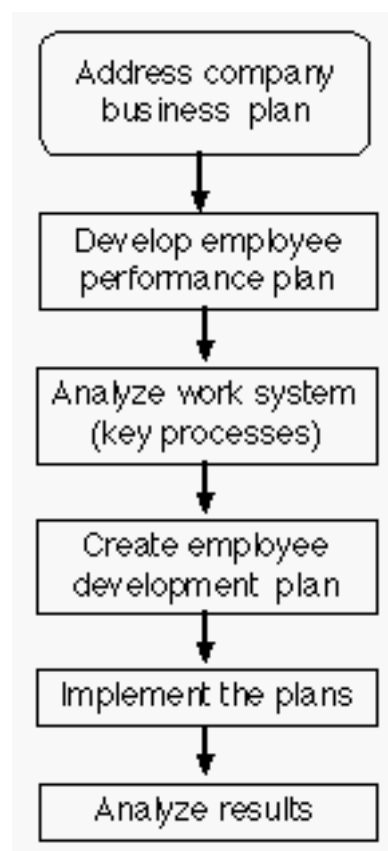


Figure 5-1. LANL's Performance Management System.
and/or increasing impact on the organization,

- enhancing employee/manager ownership of individual and organizational performance,

- improving two-way communication between supervisors and employees.

Once developmental goals have been established, employees may participate in appropriate training offered by LANL or other organizations. LANL's ESH Division offers over forty courses related to environmental issues, from general safety training and first aid to courses on such specific topics and packaging and transporting hazardous materials. Training may be used to improve skills needed for current job performance or to develop new capabilities.

A new division initiative is the HR Academy, an ongoing opportunity for all HR employees to develop new competencies. The Academy offers a broad range of topics. Employees may participate based on supervisor recommendation or by self-selection. HR employees may also participate in LANL's institutional career development program, which helps identify skills gaps and excesses. Using available information and training, employees can choose to enhance their existing skills or to further develop other skills that LANL needs now or for future programs.

Training programs are a key component to assuring actions by workers that reflect integrated plans. HR Division's training generalists work with managers and employees to identify specific training requirements for work being performed, establish appropriate programs, enhance quality, and assure continuity between all aspects of training. Training on standardized practices such as emergency operations is conducted on a LANL-wide basis. Site- and task-specific training is also provided for HR projects and facilities.

As a recent initiative, during the past four months, HR managers have invited members

of LANL's ESO to give presentations at various group and division meetings. These talks focus on general pollution prevention and energy conservation and are designed to increase HR employee focus on environmental considerations.

Another new focus is participation in the New Mexico Green Zia Environmental Excellence Program and use of the Green Zia tools for environmental excellence. Since June of 1999 HR Division has been part of a cooperative pilot project to identify ways to reduce pollution and minimize resource usage in a standard office environment. Submission of this award application is part of an ongoing division effort to more effectively and systematically focus on environmental performance. Figure 5-2 shows how HR Division will achieve this goal and how the division's efforts will contribute to LANL success.

5.2 Employee Involvement

A major emphasis in HR Division is that every employee understand his or her role in achieving organization and institutional goals, including those related to environmental performance and pollution prevention. For example, the ISM implementation strategy developed for the division emphasizes employee understanding and involvement. This emphasis is fully in keeping with the HR Division value placed on employees and the guiding principle of never-ending improvement (see the Overview). HR senior leaders offer employees a wide variety of ways to have an influence on how the division conducts business.

To encourage communication, all managers, including the division director, observe an open-door policy. Employees may also

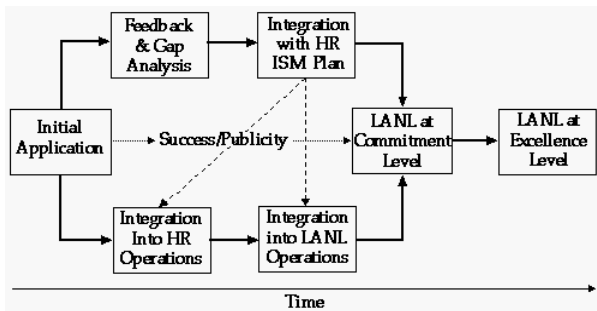


Figure 5-2. LANL's and HR Division's Green Zia plans.

provide comments and observations at group meetings and the quarterly all-hands meetings. The annual Employee Checkpoint Survey and the Upward Appraisal Program provide ways for employees to give anonymous input. HR Division's ESH officer maintains an electronic mail address, hrsafety@lanl.gov, to which employees can address issues and questions. LANL's ESO has also established an electronic mechanism for soliciting employee input on pollution prevention. HR Division employees, as well as any LANL employee, can send comments, observations, or questions to wastenot@lanl.gov. The message will be routed to the environmental expert best able to respond, the sender will be notified of any proposed action, and ESO will track the issue to resolution.

In addition to providing input, HR Division employees have the opportunity to work toward improved organizational performance. When HR Division senior leaders charter a team to evaluate and improve operational processes, employees have the opportunity to be appointed by management or to self-select to work on the project.

Senior leaders ensure that the division's human resources are properly aligned to carry out proposed action plans. The alignment process begins with the annual strategic planning update. Leaders develop long-term priorities and projections and ensure that

adequate resources are available. As projects evolve, leaders use quarterly or monthly reviews of action plan progress to ensure that resources continue to be adequately aligned.

HR Division leaders communicate environmental information in a variety of ways. In addition to the normal flow-down of reports through regular all-hands and group meetings, managers devote specific attention to discussing Appendix F reviews, Employee Checkpoint Survey results, and Upward Appraisal feedback. The Upward Appraisal Program, in particular, sets specific expectations for managers to review feedback with subordinates and to develop action plans for improvement. Figure 5-3 shows the overall Upward Appraisal process; Figure 5-4 describes the process for using feedback.

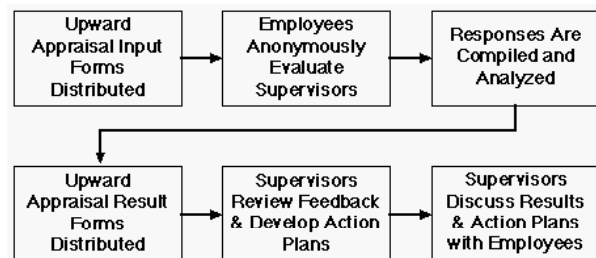


Figure 5-3. LANL's Upward Appraisal process.

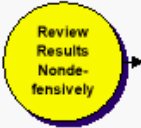


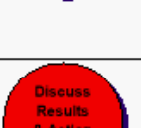
BASIC PRINCIPLES OF USING THE FIVE STEP MODEL TO ACCEPT AND USE FEEDBACK	
FEEDBACK IS MOST HELPFUL WHEN YOU ...	WHY?
	If you are preparing your defense as you read, you can miss valuable points; be open to information and suspend mental responses or justifications.
	If patterns emerge they can help you prioritize areas for development. The stronger the trend, the more likely it is that the information is important.
	This "stop and think" step is extremely important so that you analyze trends or comments and put them into perspective prior to action planning and making your response known through discussion with others.
	Based on your reading and reflection, you can determine the areas in which you see the most need for development as a manager—and determine specifically how you will go about meeting those needs. Research shows that specific, written action plans or goals have a very high implementation rate compared to goals that are not concrete.
	If you thank your employees for their feedback and let them know in a meeting how you plan to respond, it will keep the door open for better communication all year. This is a good opportunity to ask for input into your action plans, which could strengthen them. Also, prepare to discuss results with your immediate manager, who is expected to use the results as part of your individual development plan and/or appraisal.

Figure 5-4. The five-step model for accepting and using Upward Appraisal feedback.

Efforts to promote carpooling are an example of how HR Division encourages employees to minimize the environmental impact of their work duties on the local community. Near the Otowi Building, LANL has established reserved parking for high occupancy vehicles. And the LANL daily *Newsbulletin* maintains an electronic "Commuter's Corner" where prospective carpoolers can advertise or look for ride-sharing opportunities.

5.3 Employee Satisfaction, Value and Well-Being

LANL's major formal method for determining employee attitudes and the climate in the workplace is the annual Employee Checkpoint

Survey, which has been used for the past five years. The survey contains standard types of questions in general categories including safety, productivity, and customer focus. A second major method is LANL's annual Upward Appraisal Program, which allows employees to provide direct feedback to managers regarding the supervisors' behavior and ability in areas such as environment, safety and health; communication; and accountability. HR Division managers review the information from these instruments and use it to help establish goals and corrective actions.

There are also incentives to encourage staff to work smarter and utilize innovative approaches to accomplish their work. The Pollution Prevention Awards Program, sponsored by LANL's ESO, is open to all LANL employees and subcontractors. It is designed to encourage individuals and teams to develop plans, programs, or ideas for minimizing waste; conserving water, electricity or natural gas; reducing air or water pollution; or procuring products with recycled content. Recipients of the awards receive recognition and a cash grant from specially allocated congressional funds.

The Los Alamos Awards Program, administered by LANL institutionally but tailored for application at the division or program level, provides a link between the organization's mission and those employees or teams that achieve significant accomplishments toward that mission. HR Division managers use the program to recognize exceptional contributions and noteworthy achievements by awarding their employees, either individually or as teams, cash awards ranging from \$250 to \$2000.

As part of the larger LANL community, HR Division relies primarily on institutional programs to enhance employee support.

LANL offers a comprehensive set of support initiatives along with feedback systems. Division employees are encouraged to use all LANL services that are appropriate and relevant to their individual needs.

To provide emotional support, LANL provides an Employee Assistance Program (EAP) whose main goal is to assist employees with personal problems that are affecting their job performance. The EAP also offers a wide variety of presentations and workshops on such topics as stress management, gender issues, conflict resolution, and smoking cessation. The EAP also makes available a collection of books, videos, and audio tapes on workplace issues. The program is available free of charge. Usually employees refer themselves; however, a supervisor can refer an employee if job performance has been identified as a problem.

For employees' physical well-being, LANL maintains a Wellness Center. The center offers equipment and specific areas for weight training and aerobic exercise in individual and group formats. Use of the center for individual exercise programs is offered free of charge. The center also provides, usually for a small fee, a wide variety of exercise and health programs including stress management, healthy eating, aerobics, yoga, and cardiovascular fitness. The center offers individual fitness evaluations for a nominal fee. The center monitors daily use numbers and has completed user satisfaction surveys along with participant evaluations.

Division employees may choose between two basic work schedules, a traditional 5 day/40 hour week or a new 9 day/80 hour schedule which allows employees every other Friday off. In addition, HR Division allows employees, with prior agreement of their managers, to use some flexibility in their

regular work schedules to meet personal needs.

LANL provides employees and managers formal guidance on administrative reviews and grievances. In addition to this formal support, the institution provides responses to informal queries as well as guidance to employees or management on relations in the workplace.. Specific support is available on such subjects as counseling, sexual harassment, violence in the workplace, and interpersonal skills.

An Ombuds Office, available to any individual in the workforce, provides services including addressing work-related issues, assisting employees in obtaining services, or expediting actions. The Ombuds Office also provides a Mediation Center—available to all members of the workforce—which provides a structured approach and environment to resolving issues between employees or between management and employees.

6. Process Management

6.1 Process Characterization and Control

In addition to an internal desire to continuously improve operational performance, HR Division has additional customer requirements that make process evaluation and improvement necessary. Appendix F provides both a requirement and a mechanism to do process analysis and improvement, including formal benchmarking. For example, current Appendix F measures for human resources state:

"The Laboratory will use a variety of techniques that may include internal customer feedback mechanisms, cost benefit analysis, work flow analysis, process mapping, benchmarking, etc., to

streamline, reengineer, outsource, or eliminate existing systems and processes or implement new initiatives....The Laboratory will identify, prioritize, and select areas for improvement in the context of moving the Laboratory towards best-in-class."

Formal operational assessments occur during quarterly, semiannual, or annual reviews (see Item 4.2), but leaders may also consider operation performance at any of the weekly management meetings.

HR Division leaders use the wide variety of data described in Item 4.1—including data from customers, employees, and operational reviews—to assess the performance of key processes. Customers, including both LANL employees and LANL managers, are intimately involved in process evaluations through their input to the VOC process. Employees provide operational evaluations through their input to employee surveys, such as the Checkpoint Survey and the Work Environment Survey. Both DOE and UC stakeholders are active participants in establishing performance expectations and in evaluating operational achievement through the Appendix F process (see Item 3.1).

The Appendix F process is one method by which division leaders may identify best practices and compare HR Division performance with the performance of competitors. The division also uses strategic benchmarking (see Item 4.2) to identify ways to avoid failure or loss and to maintain or improve efficiency.

HR Division is using participation in the Otowi Building Green Zia pilot project (see Item 3.3) to focus on ways to reduce waste generation and resource consumption in division processes. In cooperation with other project participants, HR division employees

are identifying wastes generated and resources consumed, determining existing baseline performance information, setting priorities for potential areas for improvement, and then developing and implementing improvement action plans. The project is producing specific, measurable results for actions designed to reduce waste, to lower consumption of resources, and to increase operational efficiency. In addition, the project gives all employees another avenue for providing input regarding the environmental performance of division processes.

6.2 Process Improvement

As Item 6.1 explains, HR Division has a contractual mandate to continuously monitor and analyze processes for potential improvements. Use of Appendix F as a framework for process analysis and comparative evaluations is a mature, seven-year-old system that has yielded significant improvement in most areas reviewed.

HR Division uses a systematic CQI process to upgrade its processes on an ongoing basis. For product and service production/delivery processes, HR Division relies on a generalized evaluation and improvement methodology based on Deming's Plan-Do-Check-Act (PDCA) cycle, which is similar to the Green Zia process improvement system (see Figure 6-1). Combined with the guiding principles, PDCA forms a framework within which managers and improvement teams employ a variety of tools and techniques to address opportunities for improvement. The goal is to help managers most intimately involved with day-to-day operations have the flexibility to determine how best to maintain optimum process performance and meet customer expectations. This process ensures that, based on regular and frequent customer interactions, managers will select and monitor those key in-process measurement most appropriate for

each individual project and process. While this process has so far been used minimally to address environmental improvement issues, it is the formal way HR Division handles overall process improvement.

Once a process has been designated as needing improvement, based on frequency or number of complaints or on perceived inefficiencies, senior leaders charter a CQI team. Employees

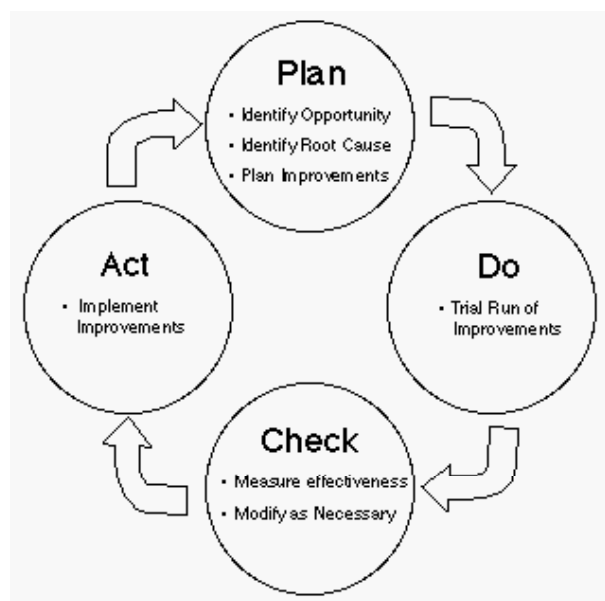


Figure 6-1. HR Division's PDCA cycle.

are frequently invited to volunteer for such improvement teams, and in some cases employees with specific process knowledge are appointed to the CQI team by management. Much like the Green Zia improvement methodology, the PDCA cycle uses a flow chart to identify key aspects of a process. The CQI team then analyzes problem areas, focusing on root causes and using tools such as a cause-and-effect diagram. Next the CQI team identifies possible alternatives and creates an action plan. Finally, the team selects and implements the most appropriate change and monitors the revised process to ensure the change produces the desired improvement.

The EPI Team, chartered by the HR-5 group leader, is currently using this process. Figure 6-2 shows the actual project plan of the EPI team. The team responsible for the Otowi Green Zia pilot project (see Items 3.3 and 7.1) used a variation of this methodology to identify environmental improvements for HR Division's office facility.

Results from improvement efforts are communicated to senior leaders at the weekly HR Forum sessions and as part of the Appendix F quarterly assessments. Employees learn about process improvements at the all-hands meetings, group meetings, and through hr-news@lanl.gov.

In some cases, HR Division identifies opportunities for improvement, as well as best-practice goals, through formal benchmarking. In the past, the division has benchmarked training priorities with other quality training organizations in the research and development arena. These include AT&T, Motorola, Xerox, IBM, and other DOE facilities. In the recent past, HR Division partnered with Motorola to share and apply industry's human resource's best

practices in executive development and training.

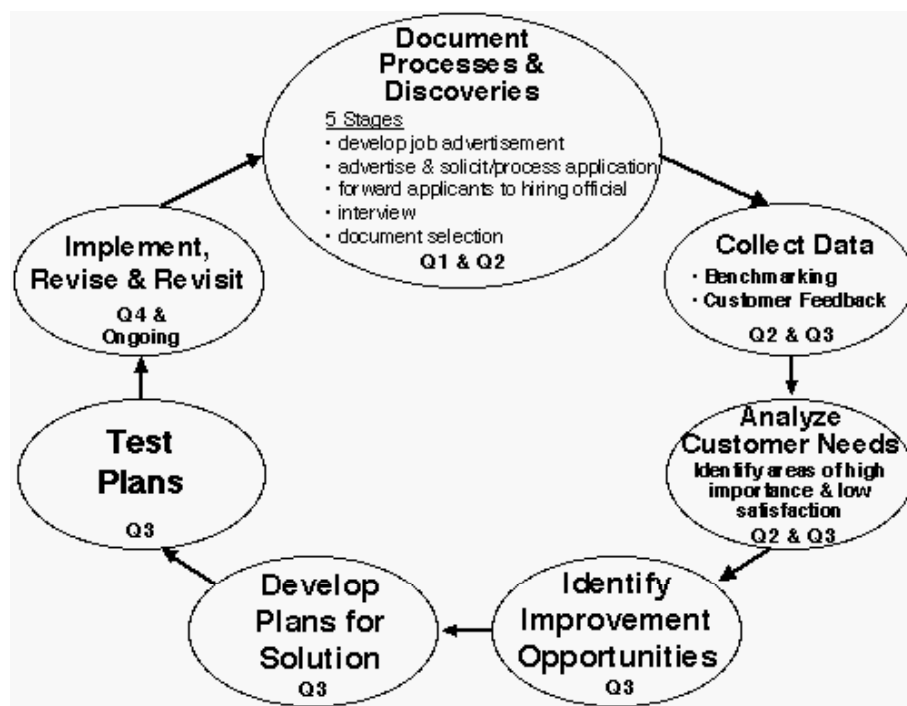


Figure 6-2. EPI Team project plan.

7. Results

of paper annually. The division has also begun an emphasis on two-sided printing.

7.1 Environmental Results

Table 7-I shows the initiatives considered by HR Division as part of its participation in the Otowi Green Zia pilot project (see Category 3.3). Some activities were new projects; some made more extensive use of existing LANL programs. HR Division implemented all but two of the initiatives (styrofoam and computer disk recycling).

Figure 7-1 shows the trends in paper usage within HR Division. In 1999 HR began filing job resumes electronically and has saved approximately 10,000 sheets of paper in just the past six months as a result. Personnel records also now are stored electronically, saving an additional estimated 20,000 pieces

Figures 7-2 and 7-3 show HR Division's performance related to affirmative procurement. This is a LANL-wide effort to purchase products with recycled content. In 1998 the division's overall rate was 47%; in 1999 the rate improved dramatically to 63%; for the first quarter of 2000 the rate was 98%.

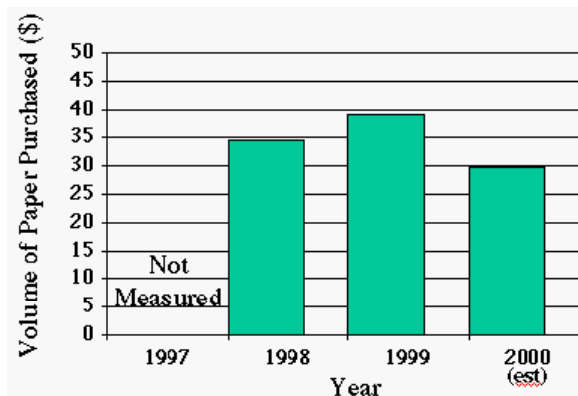


Figure 7-1. Trends in HR Division paper use.

Table 7-1. Initiatives Considered as Part of the Otowi Building Green Zia Pilot Project.

Focus Area	Possible Initiatives	New/Existing
Paper Use	<ul style="list-style-type: none"> Wider use of two-sided printers/copiers Recycling of shredded paper Wider use of electronic documents 	New Existing Existing
Cardboard Recycle	<ul style="list-style-type: none"> Promote more extensive recycling Use compacting recycling bins 	Existing New
Reuse/Recycle of Office Supplies	<ul style="list-style-type: none"> Develop systematic reuse of surplus office supplies 	New
General Recycling	<ul style="list-style-type: none"> Recycle aluminum cans Recycle styrofoam Recycle computer disks Segregate food-contaminated waste from recyclable waste Include recycling options in planned building upgrades 	Existing New New New New
Reuse of Office Equipment	<ul style="list-style-type: none"> Publicize equipment swap web site Make better use of surplus equipment 	Existing Existing
Mail	<ul style="list-style-type: none"> Use Mail Stop A1000 (mail recycle) Use Stop Mail (junk mail elimination) 	Existing Existing
Procurement	<ul style="list-style-type: none"> Make better use of affirmative 	Existing

	procurement	
Pollution Prevention Awareness	<ul style="list-style-type: none"> Develop facility-specific guidelines Schedule P2 lectures Participate in New Mexico Green Zia Environmental Excellence Program 	New Existing New

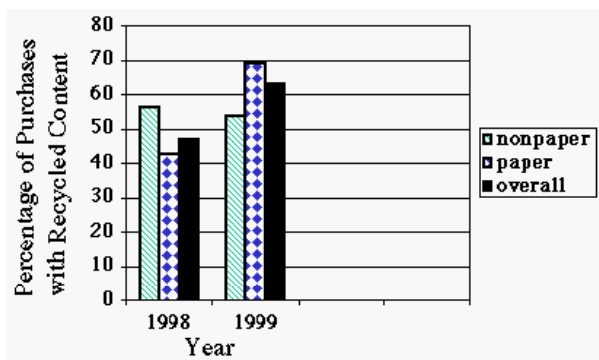


Figure 7-2. HR Division's purchase of material with recycled content.

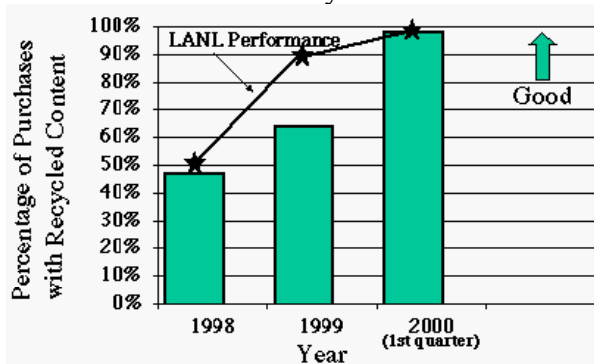


Figure 7-3. HR Division's affirmative procurement rate compared with that of LANL.

Figure 7-4 shows the baseline measurement HR Division made this year to determine the amount of sanitary waste created. Improvements in measuring capabilities being implemented by ESO will allow HR Division to begin trending this information and identifying opportunities for improvement.

Figure 7-5 shows LANL's overall score on the utilities/energy conservation measures of Appendix F. The scores were initially high, have maintained a steadily improving trend, and compare favorably to LLNL scores. HR

Division contributes to LANL's overall score, but current LANL infrastructure limitations prevent the division from identifying a unique, quantifiable contribution.

Figures 7-6 through 7-8 show the division's scores in three areas of the Employee Checkpoint Survey: communication, job satisfaction, and safety. For the past three years division scores for all three area have

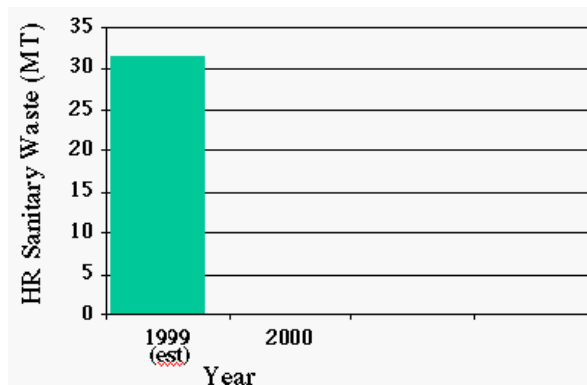


Figure 7-4. HR Division's baseline measurement of sanitary solid waste.

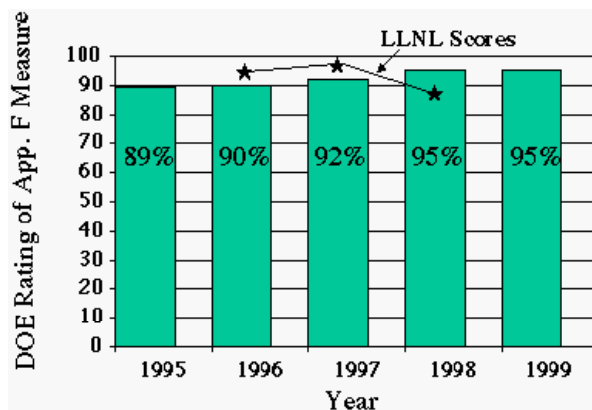


Figure 7-5. LANL's Appendix F scores related to utilities/energy conservation. remained consistent with overall LANL scores. These annual measures of employee

satisfaction provide HR Division senior leaders with direct input on employee concerns related to environmental issues.

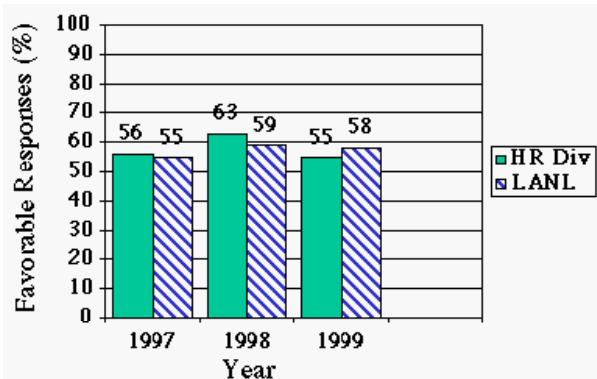


Figure 7-6. HR Division's Employee Checkpoint Scores related to communication.

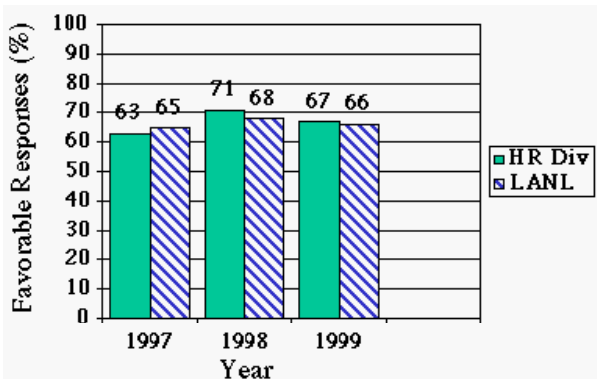


Figure 7-7. HR Division's Employee Checkpoint Scores related to employee job satisfaction.

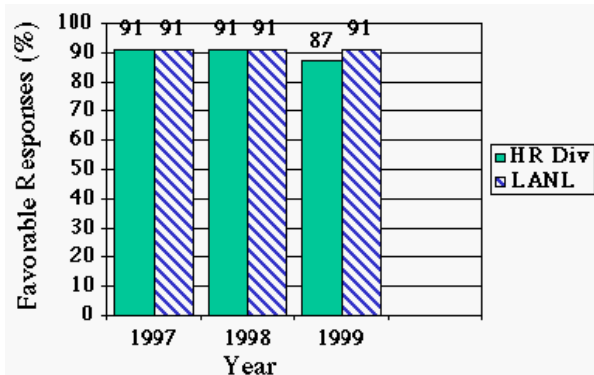


Figure 7-8. HR Division's Employee Checkpoint Scores related to safety.

Figure 7-9 shows the composite scores for 14 HR Division managers on LANL's Upward Appraisal evaluation. Of the twenty categories evaluated, nine have a direct impact on environmental performance. For the last three years the scores have generally remained at a steady high level and are very close to the average score for all LANL managers. Table 7-II provides another view of the data. Given the small variation in scores, it is impossible to establish a statistical trend.

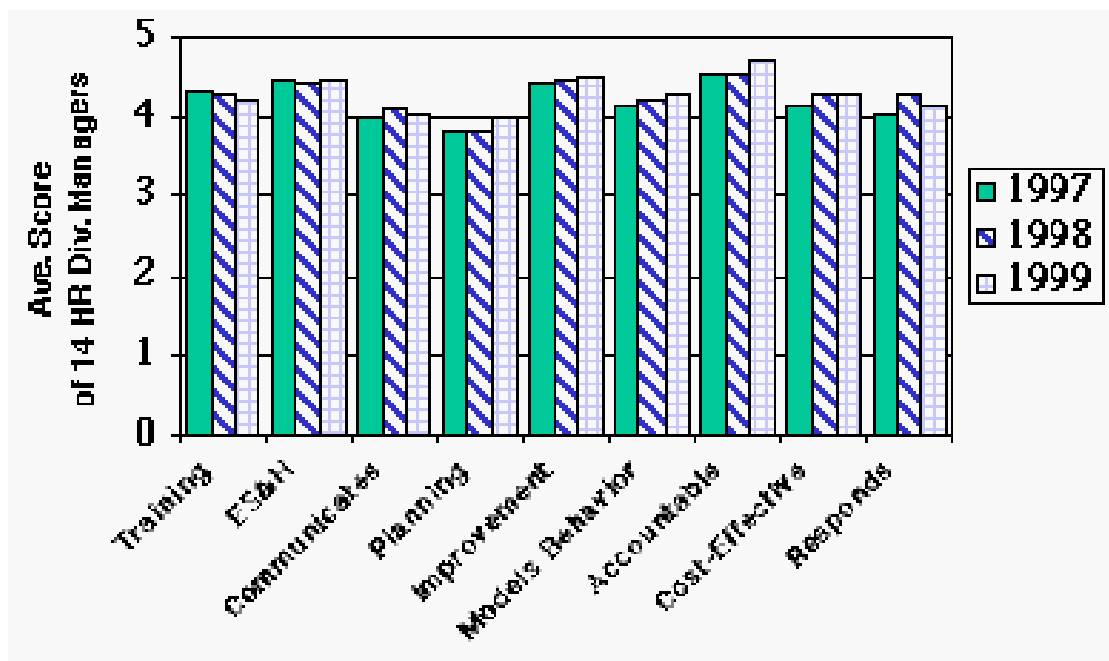


Figure 7-9. Three-year trends for average Upward Appraisal scores of HR Division managers.

Table 7-II. Average Scores for 14 HR Division Managers on LANL's Upward Appraisal Evaluations.

Evaluated Characteristic	1997		1998		1999	
	HR	LANL	HR	LANL	HR	LANL
Actively implements ES&H policies/procedures	4.46	4.45	4.41	4.42	4.44	4.49
Communicates openly and honestly with employees	3.98	4.08	4.09	4.01	4.02	4.14
Supports training and development for employees	4.33	4.31	4.27	4.27	4.20	4.33
Involves employees in planning and decision making	3.80	3.77	3.81	3.75	3.99	3.88
Expects employees to continuously improve	4.42	4.33	4.45	4.29	4.49	4.37
Models behavior he/she expects in others	4.16	4.11	4.20	4.07	4.29	4.21
Holds employees accountable for their performance	4.54	4.42	4.53	4.43	4.71	4.47
Promotes cost-effective work practices	4.14	4.11	4.28	4.06	4.29	4.13
Responds constructively to employee ideas and concerns	4.03	4.07	4.26	4.04	4.14	4.12

HR senior leaders have invited ESO to give formal presentations related to pollution

prevention and resource conservation. Figure

7-10 shows the number of presentations given to HR Division groups.

HR Division closely monitors its injury/illness rate through several measures. Figure 7-11 shows the number of total recordable incidents and lost workday cases for the past year. As the figure shows, safety problems are rare. Figure 7-12 shows a rolling 12-month average for TRI and LWC and compares HR Division's performance to overall LANL performance. HR Division numbers for both categories are generally lower than LANL averages.

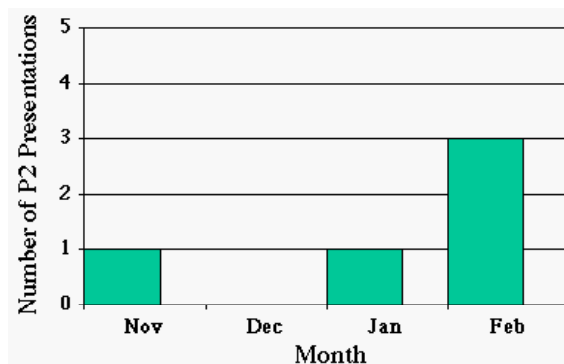


Figure 7-10. Pollution prevention/resource conservation presentations to HR Division groups.

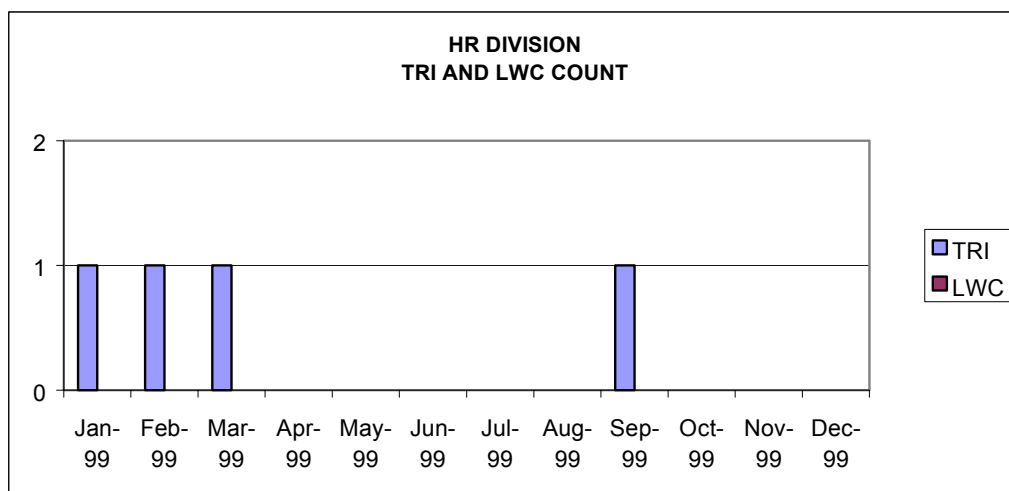


Figure 7-11. Total recordable incidents (TRI) and lost workday cases (LWC) for HR Division for the past year.

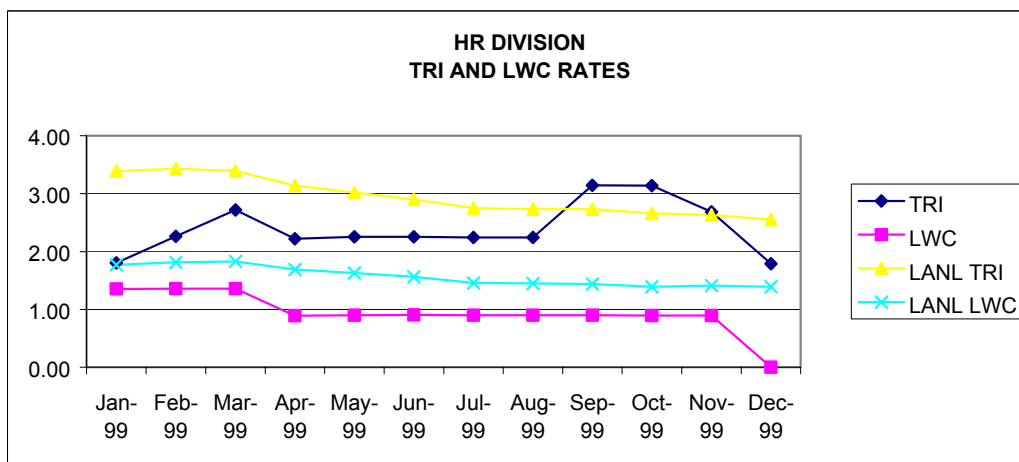


Figure 7-12. Twelve-month rolling average for employee injuries/illnesses.

Figure 7-13 shows the improving trend in LANL overall scores related to employee safety and health. Finally, Figure 7-14 shows the effectiveness of management safety walkarounds within HR Division. Senior leaders aim to accomplish 100% of the expected walkarounds.

A final measure that HR Division monitors closely relates to operational effectiveness and continuous improvement. Appendix F measure 1.1 in the human resources focus area measures the division's ability to effectively review and evaluate LANL human resource systems and processes. The three-year results (see Figure 7-15) show steadily improving results, with current performance equivalent to a rating of "excellent" from DOE. Item 7.3 shows sample results from efforts to improve human resource systems.

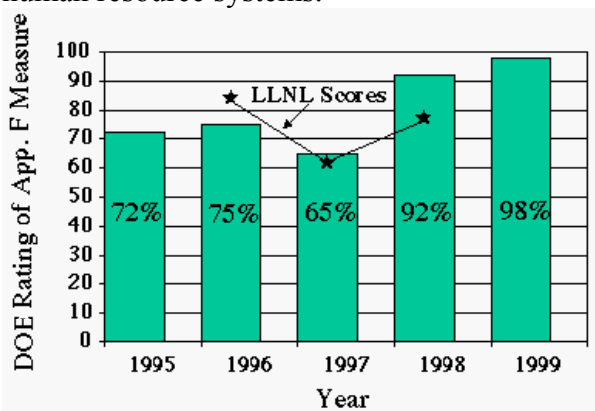


Figure 7-13. LANL overall Appendix F scores related to accident/injury prevention.

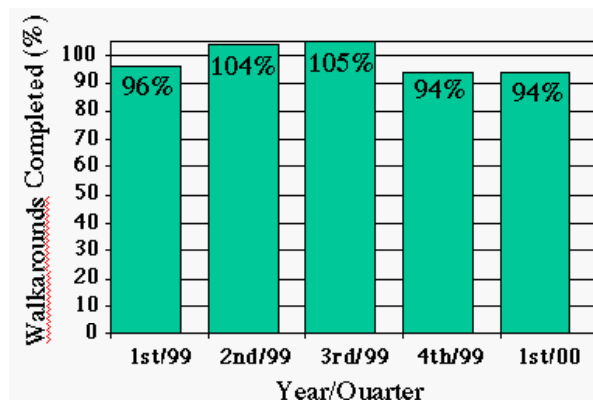


Figure 7-14. Percentage of required HR Division management walkarounds actually completed.

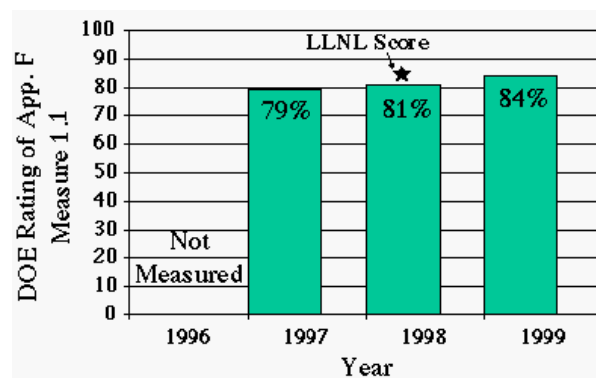


Figure 7-15. HR Division's rating on Appendix F measure 1-1, Review and Evaluation of HR Systems and Processes.

7.2 Customer, Supplier, Employee and Other Results

HR Division uses the Appendix F Process as a way to identify customer requirements and to gather feedback regarding customer perception of division performance. Figure 7-16 shows overall LANL scores related to the functional area of human resources. This is a direct reflection of DOE's evaluation of HR Division's performance and covers up to twelve separate measures. The figure shows

steadily improving scores equivalent to a rating of "excellent" from DOE. HR Division scores are now on a par with best performance as compared with LLNL and LLNL scores for this functional area.

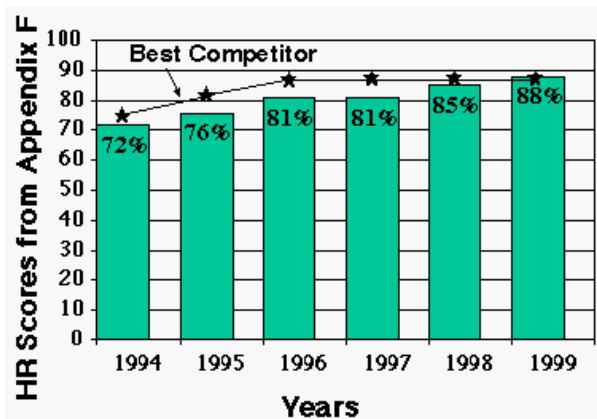


Figure 7-16. LANL Appendix F scores for the functional area of human resources.

One specific measure included within the human resources focus area of Appendix F evaluates HR Division's ability to solicit and analyze customer needs. Appendix F has included this measure for the past three years, and results (see Figure 7-17) show HR's Division's consistent high performance equal to a rating of "excellent" from DOE. The division's scores also compare very favorably with those of LLNL.

Other key customer results derive from specific measures within Appendix F. Figures 7-18 through 7-20 show overall LANL performance, to which HR Division contributes, for recycling and pollution prevention, management safety walkarounds, and supplier performance.

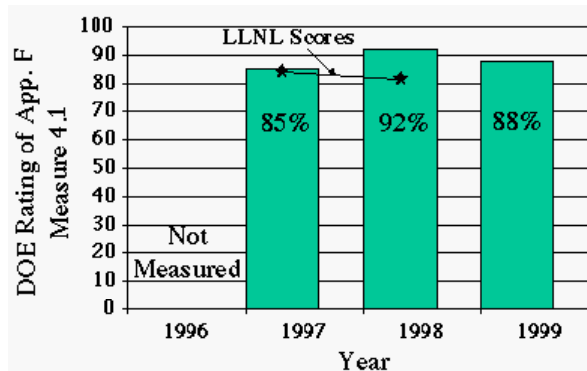


Figure 7-17. HR Division's rating on Appendix F measure 4-1, Customer Needs Analysis.

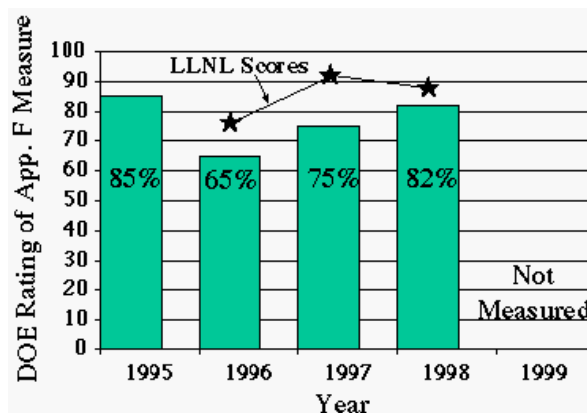


Figure 7-18. Overall LANL Appendix F performance related to recycling and pollution prevention.

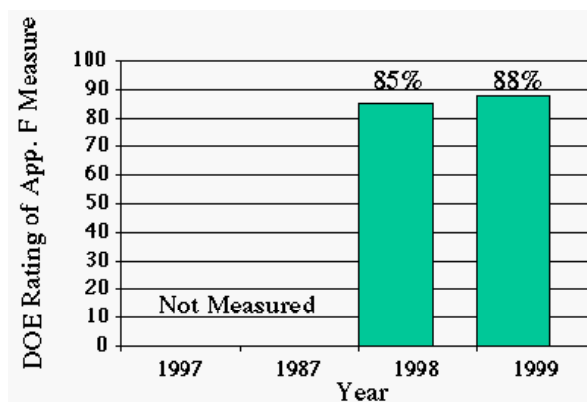


Figure 7-19. Overall LANL Appendix F performance related to management safety walkarounds.

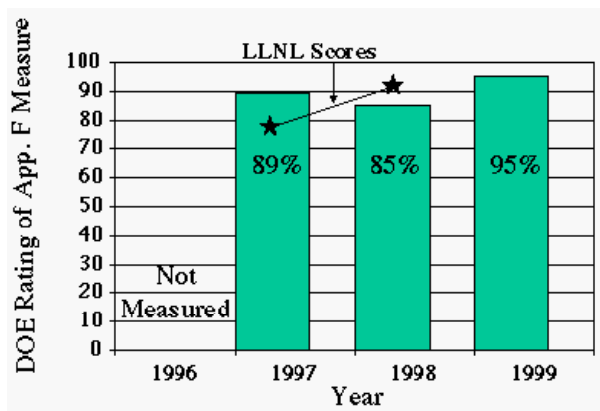


Figure 7-20. Overall LANL Appendix F performance related to management of supplier performance.

Figure 7-21 shows trends in public perception of LANL's environmental performance. Information in this particular format is not available for 1999 because LANL changed the survey questionnaire temporarily. Information for this trend analysis will resume in February 2000.

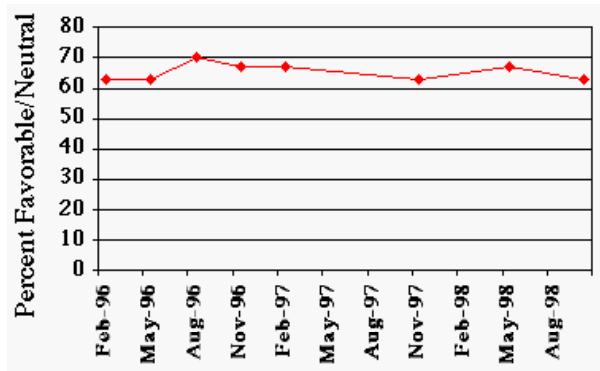


Figure 7-21. Percentage of NM residents who view LANL environmental performance as favorable or neutral.

Some of the data presented in Item 7.1 to demonstrate environmental performance also provide important information related to employee issues and well-being. For example, Figures 7-6 through 7-8 show employee satisfaction as expressed on the Employee Checkpoint Survey, and Figures 7-

9 and Table 7-II show upward appraisal results. Figures 7-11 through 7-13 indicate levels of employee well-being related to safety and health.

A final key measurement that HR Division senior leaders monitor to evaluate levels of environmental performance is the result of participation in the New Mexico Green Zia Environmental Excellence Awards Program. Because 2000 is the first year HR Division has participated in this program, results from this initial assessment will become the baseline against which future performance will be judged.

7.3 Financial Results

HR Division has identified four specific areas in which environmental performance drives financial results. Data related to current performance and trends are available for two of those areas. In the other two areas, HR Division senior leaders are awaiting improvements in LANL infrastructure capabilities to identify specific measurement opportunities.

Figure 7-22 shows the cost savings in paper purchases HR anticipates as a result of greater use of electronic documents and two-sided copying. This savings is expected to exceed \$4,500 in 2000.

HR Division also avoids costs from its extremely low level of employee lost workdays. Using HR Division's rolling twelve-month average and starting with the division average of approximately 1.4 in January 1999, the division has realized the savings shown in Figure 7-23.

In the future, as LANL develops an increased capability to track sanitary waste for individual work units, HR Division expects to develop the capability to measure its cost

savings from reduced creation of sanitary waste and also from income from sale of recycled materials. LANL infrastructure improvements may also

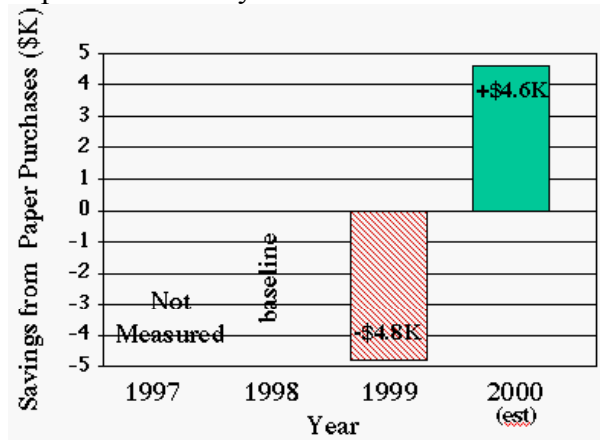


Figure 7-22. Cost savings in paper purchases due to pollution prevention activities.

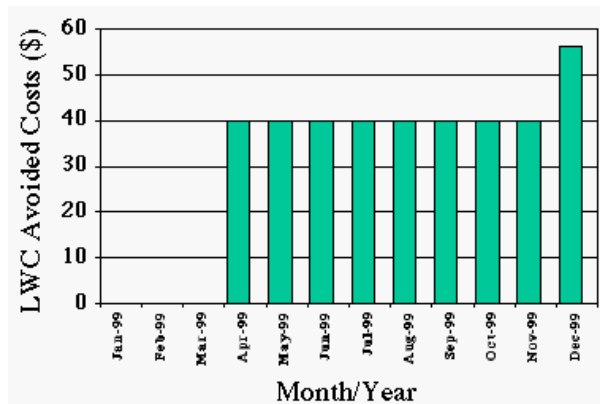


Figure 7-23. Cost savings due to reduction of employee lost workday cases.

make it possible for HR Division to monitor, track, and improve its use of electrical energy.

The division is in the process of realizing major cost saving from its EPI project. Figure 7-24 shows the anticipated dramatic improvement in the hiring process once the process improvements are fully implemented. Because in a typical year LANL may advertise and fill up to 500 positions, this cost

savings, estimated to be between \$6K and \$12K per job, may total between \$3M and \$6M annually. Figure 7-25 shows concurrent time and efficiency savings the division expects to realize from the EPI project. As designed, the improved hiring process may be completed in one month as opposed to the current average of four months.

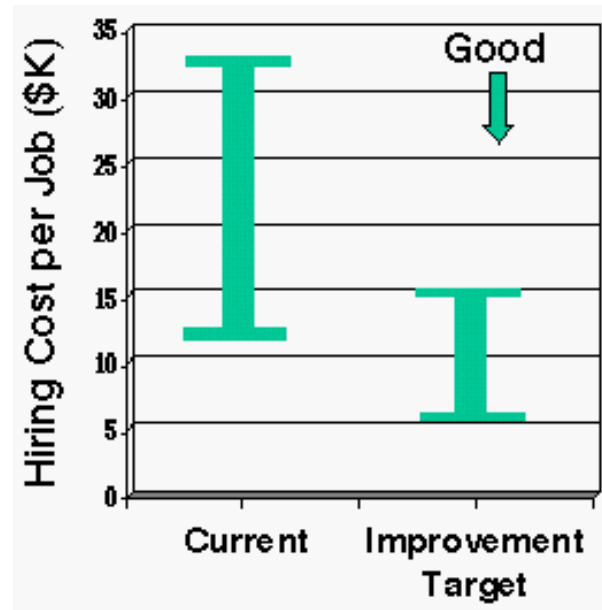


Figure 7-24. Current and anticipated HR Division cost ranges for filling job vacancies.



Figure 7-25. Anticipated HR Division time savings from the EPI project.

Acronyms

BUS	Business Operations
CQI	Continuous Quality Improvement
DOE	Department of Energy
E	Environmental Science and Waste Technology
EAP	Employee Assistance Program
EPA	Environmental Protection Agency
EPI	Employment Process Improvement
ESH	Environment, Safety and Health
ESO	Environmental Stewardship Office
FWO	Facilities and Waste Operations
HR	Human Resources
ISM	Integrated Safety Management
LANL	Los Alamos National Laboratory
LBNL	Lawrence Berkeley National Laboratory
LLNL	Lawrence Livermore National Laboratory
LWC	Lost Workday Cases
NRC	Nuclear Regulatory Commission
OSHA	Occupational Safety and Health Administration
PDCA	Plan-Do-Check-Act

TRI Total Recordable Incidents

UC University of California

VOC Voice of the Customer

VOE Voice of the Employee